

MEETING SUMMARY REPORT
U.S. Small Business Administration
North Florida District Office
Conference Room, 7825 Baymeadows Way, Suite 100B
Jacksonville, FL 32256

March 23, 2006

Regulatory Enforcement Fairness Hearing

Total attendance:	19
Congressional attendance	00
RegFair Board in attendance	02
SBA personnel	06
Agencies attending	06 (USDA/FSIS; IRS; DOL/OSHA; DOL)
No. of comments	02

Small Business Organizations	Point of Contact	Membership
City of Jacksonville – Contracting	Ivy Johnson	294
Small Business Devel. Cent- UNF	Janice Donaldson	1,518
Small Business Resource Network	Nancy Boyle	185
Jacksonville Regional Chamber of Commerce	Robert Baldwin	4,018
First Coast African American Chamber of Commerce	Deborah Thompson	221
First Coast Hispanic Chamber of Commerce	Yadira Estrada	77
First Coast Asian American Chamber of Commerce	Mary Grace	75
Beaver Street Enterprise Center	Jackie Perry	20
First Coast Business Alliance	Katrina Butler	51
Total Represented		6,459

Summary:

Testifiers:

1. Frank J. Banks – Chairman – MemphisFirst Community Bank

FDIC: Bank is being charged with Regulation O violations. The Board of Directors is being threatened with civil money penalties for violating alleged Regulation O rules. However, there have been no losses nor do they foresee any in the future. The Chairman and the board of directors have not engaged in any reckless or unsafe practices regarding Regulation O violations the have resulted in any loss to MemphisFirst Bank or brought any harm to the public confidence in the bank. The Chairman and the board have tried to rectify each and every Regulation O violation brought to our attention by the FDIC on a timely basis. The bank employed individuals known to have banking experience and have placed them in charge of the bank's day to day operations and we have assigned and delegated authority and responsibility to them. These individuals participated on our board, they moved, seconded and voted on bank business including loans, and they made decision as given authority by the Board of Directors. However they were not threatened with a civil money penalty. These threats seem to be racial bias actions by FDIC field staff.

2. Raul Espinosa – CEO and President – Fit Net

US Air Force (DOD): GAO protest (No. B-297979) contesting both the failure and the unethical attitude of Malmstrom AFB in attempting to avoid honoring a written agreement which dates back to 2003. The proceedings will demonstrate how the Air Force unethically uses its attorneys and its vast legal resources to bully their wishes upon small and disadvantaged businesses which have the courage to speak out. I have lost in excess of \$3 Million in Air Force contracts due to this type of abusive behavior.

To illustrate the problem, although I win the legal battle both at the Office of Hearings and Appeals and at the SBA Government Contracting Office, regrettable, I could not claim any benefits from my victory. The reasons for this were as follows:

1. Small businesses do not have the required resources to fight abusive contracting practices,
2. Size protest do not work the way they were intended, and
3. Small businesses are usually intimidated to speak up about the abuse for fear of reprisals.